

The e-mail and SMS marketing juggernaut

By  Walter Penfold

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Ten years ago, conventional wisdom told us that email and SMS as marketing channels were going to die due to the rise of social media, mobile advertising, and instant messaging. Yet today email and SMS channels are still growing worldwide and in some cases faster than the other more modern channels. Email marketing volumes have almost doubled in the past two years worldwide, while SMS marketing has grown 142% in two years, second only to video advertising, according to a report by Salesforce.com.



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We have seen similar trends in South Africa, with the volumes we send for our customers going from 2 billion emails in 2016 to around 3.5 billion emails in 2017. The volume of new customers has not grown at the same rate, so the majority of this growth is for existing customers, meaning everyone is sending more. SMS has been growing at about the same rate.

But it isn't just the volumes growing, engagement and clicks have grown too. Average open rates for emails have reached nearly 26%, and click-through-rates almost 3.5%. Compared to social media ads which hover around a 1% click-through-rate, email shines and gives much higher ROI.

Hype-personalised messages

This isn't to say that social media ads don't work, even though they have lower engagement, they have a much larger reach, and can target prospective customers via paid media, whereas email is limited to who you have on your list. Email and SMS are typically used more for lead nurturing, cross-selling, and customer loyalty, rather than new business acquisition.

The one advantage that email and SMS have is that you own the data, and if you can augment this data with other information you know about your customer, you can create hyper-personalised messages that are well-timed and highly relevant. Brands need to move away from your traditional "Dear John" personalisation, and start leveraging their organisation's data to dynamically serve relevant content that is personalised, such as product promotions based on buying behaviour, or thought leadership pieces based on subscriber interests.

Email and SMS become even more powerful when you build it into your entire customer journey, sending real time, contextual messages to engage and guide your customer through their current engagement with your organisation. If these messages are triggered automatically, and dynamically composed with real-time information, you create a whole new level of customer service which promotes loyalty and ultimately a bigger share of your customers wallet.

Trusted old-school channels

This type of real-time communication is fast becoming a hygiene factor in customer experience and is something that brands simply must do to create sticky and rich journeys for their customers. As a consumer I want to be reminded and prompted, I want to be treated like an individual, and I want you to talk to me about things that I am really interested in. Don't shout at me about irrelevant products or services, but guide me through buying or engaging with your organisation to make my experience seamless and rewarding. Email and SMS do this brilliantly.

Email and SMS marketing channels are still growing like wildfire and claiming their place in the new online order. Evolving trends include location-based emails that float to the top of your inbox when your customer enters a geo-fence; emails that are populated with contextual real-time data at the time of opening and the monetisation of email newsletters.

So, while your social media content and paid media efforts are essential in the modern marketing mix, don't forget about the trusted old-school channels of email and SMS. By integrating email and SMS into your larger marketing strategy you can turn your fans and followers into subscribers and drive better marketing ROI for your digital spend.

ABOUT WALTER PENFOLD

Walter is the managing director of Everlytic, a SaaS marketing automation platform. Everlytic was voted the fastest growing tech company in South Africa by Deloitte in 2014, and was acquired by Vox Telecom in January 2016.

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